

**AMENDMENTS TO THE SPECIFICATION:**

Please replace the current Specification with the attached Substitute Specification in clean form. A Substitute Specification with markings showing all the changes is also attached.

Please amend the Title as follows:

PICTURE ENCODER AND PICTURE ENCODING METHOD

Please amend the Abstract as follows:

An encoder and an encoding method capable of greatly improving the transfer efficiency in an encoding process is provided. The encoder ~~processings. A read control means~~ determines the number of removed bit planes in order that the quantity of generated codes per frame is kept constant when performing the ~~each encoding means performs an encoding process. processing.~~ A predetermined number of bit planes corresponding to those parts of information that seem relatively small to users are thus removed. Accordingly, ~~and accordingly,~~ the encoder can prevent variation of processing time in a stage before the encoder ~~each encoding means~~ performs an encoding process. ~~processing.~~